Honolulu, Hawaii Plavam 4, 2014

RE: H.B. No. 2256

Honorable Joseph M. Souki Speaker, House of Representatives Twenty-Seventh State Legislature Regular Session of 2014 State of Hawaii

Sir:

Your Committee on Agriculture, to which was referred H.B. No. 2256 entitled:

"A BILL FOR AN ACT RELATING TO THE ENVIRONMENTAL RESPONSE, ENERGY, AND FOOD SECURITY TAX REPEAL DATE,"

begs leave to report as follows:

The purpose of this measure to provide long-term availability of financial resources to help the State achieve its 2030 clean energy and food security goals.

More specifically, this measure extends the environmental response, energy, and food security tax repeal date from June 30, 2015, to June 30, 2030, to provide financial support to the Departments of Health, Agriculture, and Business, Economic Development, and Tourism so that they can meet the 2030 clean energy and food security goals established pursuant to Act 155, Session Laws of Hawaii 2009, and Act 73, Session Laws of Hawaii 2010.

Testimony in support of this measure was submitted by the Department of Agriculture, Department of Health, Department of Business, Economic Development, and Tourism, Hawaii Natural Energy Institute at the University of Hawaii at Manoa, Hawaii Green Growth, The Nature Conservancy of Hawaii, Sierra Club of Hawaii, Blue Planet Foundation, Hawaii Farm Bureau Federation, and two individuals. Comments on the measure were submitted by the Tax Foundation of Hawaii.

Your Committee finds that, in Act 155, Session Laws of Hawaii 2009, the Legislature established clean energy goals for the State to meet by the year 2030. Your Committee also finds that, in Act 73, Session Laws of Hawaii 2010, the Legislature stated that the State's resource strategy should also promote food security and In order to provide a source of funding, Act 73 sustainability. increased the state fuel tax and required that a portion the tax revenues collected be deposited into the environmental response revolving fund, energy security special fund, energy systems development special fund, and agricultural development and food security special fund. These provisions are presently scheduled to be repealed on June 30, 2015. While this measure would extend the repeal date for an additional fifteen years, your Committee respectfully requests that subsequent Committees to which this measure is referred consider making the tax revenue stream established by Act 73, permanent.

As affirmed by the record of votes of the members of your Committee on Agriculture that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2256 and recommends that it pass Second Reading and be referred to the Committee on Energy & Environmental Protection.

Respectfully submitted on behalf of the members of the Committee on Agriculture,

ESSICA WOOLEY, Chair

HB2256 HSCR LRB 14-0920.doc

State of Hawaii House of Representatives The Twenty-seventh Legislature

Record of Votes of the Committee on Agriculture

Bill/Resolution No.: HB 2256	Committee Referral: AGR, EEP	FIN Date	1/30/2	014
☐ The committee is reconsidering its previous decision on the measure.				
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)				
AGR Members	Ayes	Ayes (WR)	Nays	Excused
1. WOOLEY, Jessica (C)				
2. ONISHI, Richard H.K. (VC)				
3. AWANA, Karen				
4. BROWER, Tom	. /			
5. CACHOLA, Romy M.				
6. CHOY, Isaac W.				
7. OHNO, Takashi			a-11111	
8. TOKIOKA, James Kunane				
9. TSUJI, Clift				
10. MATSUMOTO, Lauren Kealohil	ani			
11. WARD, Gene				
TOTAL (11)				
The recommendation is: Adopted If joint referral, did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) - Committee Duplicate (Yellow) - Chief Clerk's Office Duplicate (Pink) - HMSO				